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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

CENTRAL BOARD OF DIRECT TAXES

NOTIFICATION

WEALTH-TAX

New Delhi, the 28th July 1966

G.S.R. 1190.—In exercise of the powers conferred by section 46 of the Wealth-tax Act, 1957 (27 of 1957), the Central Board of Direct Taxes hereby makes the following rules further to amend the Wealth-tax Rules, 1957:—

1. These rules may be called the Wealth-tax (Amendment) Rules, 1966.

2. In the Wealth-tax Rules, 1957—

(1) after rule 1A, the following rules shall be inserted, namely:—

"1B. *Valuation of life interest*

(1) For purposes of sub-section (1) of section 7, the market value of the life interest of an assessee shall be arrived at by multiplying the average annual income that accrued to the assessee from the life interest by $\frac{I}{P+d} - 1$ where 'P' represents the annual premium for a whole life insurance without profits on the life of the life tenant for unit sum assured as specified in the appendix to these rules, and 'd' is equal to $\frac{i}{1+i} -$, 'i' being the rate of interest.

Explanation.—

For the purposes of this rule—

(a) "life tenant" means a person for the duration of whose life the life interest is to subsist;

(b) "average annual income" means the average of the annual gross income derived by the assessee from the life interest upto the period ending on the valuation date reduced (in each case) by the average of the expenses incurred on the collection of such income in those years:

Provided that the amount to be reduced shall, in no case, exceed five per cent. of the average of the annual gross income:

Provided further that in case the income so derived is for a period exceeding three years, only that income derived during the three years ending on the valuation date shall be taken into account;

(c) the rate of interest shall be $6\frac{1}{2}$ per cent. per annum.

(2) Notwithstanding anything contained in sub-rule (1),—

(a) The Wealth-tax Officer may, if he is of the opinion that in the case of the life tenant a life insurance company would not take the risk of insuring his life at the normal premium rates in force but would demand a higher premium, vary the valuation suitably;

(b) the value of the life interest so determined shall, in no case, exceed the market value as on the valuation date of the corpus of the trust from which the life interest is derived.";

(2) for the Explanation to rule 2E, the following Explanation shall be substituted, namely:—

"*Explanation.*—Provision for any purpose other than taxation shall be treated as a reserve.";

(3) after rule 11, the following Appendix shall be inserted, namely:—

"APPENDIX

TABLE OF $\left(\frac{1}{P + d} - 1\right)$

Age nearer birth-day	Premium for Unit sum assured P	$\left(\frac{1}{P + d} - 1\right)$ value of life interest of Re. 1 per annum at $6\frac{1}{2}$ % rate of interest.
1	2	3
0	0·02906	10·100
1	0·01590	11·999
2	0·01295	12·517
3	0·01162	12·705
4	0·01095	12·893
5	0·01065	12·951
6	0·01058	12·965
7	0·01063	12·955
8	0·01076	12·930
9	0·01095	12·893
10	0·01117	12·850
11	0·01142	12·803

1	2	3
12	0·01169	12·751
13	0·01197	12·699
14	0·01226	12·644
15	0·01257	12·587
16	0·01286	12·534
17	0·01319	12·473
18	0·01350	12·417
19	0·01387	12·351
20	0·01431	12·273
21	0·01469	12·207
22	0·01512	12·132
23	0·01556	12·057
24	0·01606	11·972
25	0·01656	11·888
26	0·01706	11·806
27	0·01762	11·715
28	0·01825	11·614
29	0·01894	11·505
30	0·01932	11·399
31	0·02037	11·285
32	0·02112	11·173
33	0·02194	11·053
34	0·02281	10·927
35	0·02369	10·804
36	0·02462	10·675
37	0·02562	10·541
38	0·02669	10·400
39	0·02787	10·249
40	0·02912	10·093
41	0·03044	9·932
42	0·03181	9·771
43	0·03325	9·607
44	0·03475	9·441
45	0·03637	9·267
46	0·03806	9·092
47	0·03987	8·911
48	0·04181	8·724
49	0·04387	8·533
50	0·04612	8·333
51	0·04850	8·130
52	0·05100	7·926
53	0·05362	7·722
54	0·05637	7·518
55	0·05931	7·310
56	0·06244	7·099
57	0·06575	6·888
58	0·06925	6·676
59	0·07294	6·464
60	0·07681	6·255

1	2	3
61	0·08167	6·008
62	0·08589	5·806
63	0·09025	5·610
64	0·09475	5·419
65	0·09938	5·234
66	0·10415	5·054
67	0·10907	4·879
68	0·11414	4·709
69	0·11938	4·543
70	0·12483	4·380
71	0·13054	4·220
72	0·13652	4·062
73	0·14278	3·907
74	0·14936	3·753
75	0·15627	3·602
76	0·16356	3·453
77	0·17125	3·305
78	0·17937	3·160
79	0·18796	3·016
80	0·19706	2·875".

[No. WT. 1/1966-2/3/65-WT.]

JAGDISH CHAND, Secy.

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